OIPE OCT 2 7 2003 PATENT & TRADEMARK OFFICE

10-29-03

3624

Atty. Dkt. No. 027756-0101

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicant: Arthur Willard CHAFFEE

Title: INVESTMENT PORTFOLIO TRACKING SYSTEM AND METHOD

Appl. No.: 09/410,825

Filing Date: 1 October 1999

Examiner: N. SUBRAMANIAN

Art Unit: 3624

CERTIFICATE OF EXPRESS MAILING

I hereby certify that this correspondence is being deposited with the United States Postal Service's "Express Mail Post Office To Addressee" service under 37 C.F.R. § 1.10 on the date indicated below and is addressed to: **Commissioner for Patents, PO Box 1450, Alexandria, Virginia 22313-1450.**

EV 060046614 US (Express Mail Label Number) — October 27, 2003 (Date of Deposit)

Jack L. Kirk (Printed Name)

Jack L. Kirk (Signature)

RECEIVED OCT 3 1 2003 GROUP 3600

AMENDMENT TRANSMITTAL

Mail Stop NON-FEE AMENDMENT
Commissioner for Patents
PO Box 1450
Alexandria, Virginia 22313-1450

Sir:

Transmitted herewith is a REPLY TO REQUEST FOR INFORMATION UNDER 37 CFR §1.105 including complete copy of Information Disclosure Statement and all cited references previously filed on July 7, 2000; AMENDMENT ACCOMPANYING REPLY TO REQUEST UNDER RULE 105; and INFORMATION DISCLOSURE STATEMENT UNDER 37 CFR §1.56 in the above-identified application.

[X] Small Entity status under 37 C.F.R. § 1.9 and § 1.27 has been established by a previous assertion of Small Entity status.

[X] The fee required for additional claims is calculated below:

	Claims As Amended		Previously Paid For		Extra Claims Present		Rate		Additional Claims Fee
Total Claims:	72	□	81	=	0	x	$18.00	=	$0.00
Independents:	2	□	3	=	0	x	$86.00	=	$0.00
First presentation of any Multiple Dependent Claims:						+	$290.00	=	$0.00
					CLAIMS FEE TOTAL:			=	$0.00

015.609448.1

[ ] Applicant hereby petitions for an extension of time under 37 C.F.R. §1.136(a) for the total number of months checked below:

[ ]	Extension for response filed within the first month:	$110.00	$0.00
[ ]	Extension for response filed within the second month:	$420.00	$0.00
[ ]	Extension for response filed within the third month:	$950.00	$0.00
[ ]	Extension for response filed within the fourth month:	$1,480.00	$0.00
[ ]	Extension for response filed within the fifth month:	$2,010.00	$0.00
		EXTENSION FEE TOTAL:	$0.00
[ ]	Statutory Disclaimer Fee under 37 C.F.R. 1.20(d):	$55.00	$0.00
		CLAIMS, EXTENSION AND DISCLAIMER FEE TOTAL:	$0.00
[X]		Small Entity Fees Apply (subtract ½ of above):	$0.00
		TOTAL FEE:	**$0.00**

[ ] Please charge Deposit Account No. 50-0872 in the amount of $0.00. A duplicate copy of this transmittal is enclosed.

[ ] A check in the amount of $0.00 is enclosed.

[**X**] The Commissioner is hereby authorized to charge any additional fees which may be required regarding this application under 37 C.F.R. §§ 1.16-1.17, or credit any overpayment, to Deposit Account No. 50-0872. Should no proper payment be enclosed herewith, as by a check being in the wrong amount, unsigned, post-dated, otherwise improper or informal or even entirely missing, the Commissioner is authorized to charge the unpaid amount to Deposit Account No. 50-0872. If any extensions of time are needed for timely acceptance of papers submitted herewith, applicant hereby petitions for such extension under 37 C.F.R. §1.136 and authorizes payment of any such extensions fees to Deposit Account No. 50-0872.

Please direct all correspondence to the undersigned attorney or agent at the address indicated below.

Respectfully submitted,

Date: October 27, 2003

By Ronald Coslick

Ronald Coslick
Attorney for Applicant
Registration No. 36,489

FOLEY & LARDNER
Customer Number: 23392
23392
PATENT TRADEMARK OFFICE
Telephone: 310-277-2223
Facsimile: 310-557-8475

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicant: Arthur W. CHAFFEE

Title: INVESTMENT PORTFOLIO TRACKING SYSTEM AND METHOD

Application No.: 09/410,825

Filing Date: 1 October 1999

Examiner: N. SUBRAMANIAN

Art Unit: 3624

REPLY TO REQUEST FOR INFORMATION UNDER 37 CFR §1.105

Mail Stop NON-FEE AMENDMENT
Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

Sir:

Applicant hereby replies to the request for information under 37 CFR §1.105, mailed 27 August 2003.

The examiner's assistance in helping the applicant understand the scope of the request is appreciated. Applicant responds to the requests as follows:

Request 1: **A copy of any non-patent literature, published application, or patent (U.S. or foreign), by any of the inventors, or information that was used in the invention process, such as by designing around or providing a solution to accomplish an invention result.**

Applicant responds as follows:

1) Applicant's understanding of the request:

Applicant believes that this request was intended to refer to non-patent literature, published applications, patents or information *used in the invention*

process by any of the inventors, as opposed to the request as written which literally requests "any non-patent literature, published application, or patent (U.S. or foreign), *by any of the inventors*, or information that was used..." To ensure that this response is complete, applicant will respond to both meanings.

2) <u>The inventor's patents, published applications and publications:</u>

The inventor has no patents or published applications. The inventor has authored promotional materials regarding the inventor's technology. All of those materials are substantially the same as the materials found on the inventor's web site **www.summalp.com**.

3) <u>Patents, published applications, publications and other information that was used in the invention process:</u>

The inventor implemented the subject matter described in the application for his personal use because he was not satisfied with the portfolio information that was provided by his on-line trading service (TD Waterhouse) and other on-line trading services. For example, the available services gave basic information such as the current values of the stocks in the portfolio, but did not indicate, for example, how much capital gains tax would be owed based on the current values of each investment (unrealized tax expenses), or the total current net worth of the portfolio when all potential obligations were taken into account, or the performance of the portfolio when those costs were taken into account.

Before attempting to implement these features, the inventor researched the on-line trading services that were available at the time using a magazine called "Web's Best Bank & Investment Sites" (discussed further below). However, none of the services that the inventor looked at provided the desired features.

The inventor ultimately decided to implement those features himself. Since the inventor worked in public accounting beginning in 1979, and has been an accounting and financial consultant since 1985, the inventor was capable of designing and implementing the formulas that were necessary to generate all of the balances and reports that he wanted from the basic transaction data for each individual investment. The initial embodiment of the inventor's system was an Excel spreadsheet that converted transaction data into a debit/credit

format, and then calculated and produced reports for the balances described in the patent application. As a solution for consolidating the large number of individual reports that his system produced, the inventor conceived of the additional feature of single-page integrated balance sheet (double entry asset, liability and equity) presentation with balances hyperlinked to their supporting reports, which is described in the application and recited in claim 71.

4) Information previously disclosed in this application:

Shortly after the filing of this application, applicant filed an Information Disclosure that included a large number of magazine and newspaper articles concerning current on-line investment technology, as well as print-outs from various investment-related web sites showing the types of financial reports that were available around the time of filing of the application. The Information Disclosure also included the "Web's Best Bank & Investment Sites" magazine discussed above, which provides a good summary of the types of investment information that was available from investment sites at around the time of filing of the application.

Through discussions with the examiner it has been determined that this Information Disclosure was lost at the Patent Office and therefore has not been reviewed by the examiner. Applicant is therefore resubmitting a complete copy of the Information Disclosure and all cited references. As proof of the original timely submission of this Information Disclosure, applicant submits herewith a stamped postcard indicating receipt by the PTO of the Information Disclosure, as well as a copy of the Information Disclosure from the Patent Office file made by a copy service in August 2001, showing that the original Information Disclosure was placed in the Patent Office file and included stamps indicating its receipt by the Patent Office and by the Technology Center 2700 mail room.

5) Other publications and information used in creating the invention:

The inventor does not recall referring to any publications or other sources of information that suggested the features listed in the request, which appear to be the features of independent claim 71.

The inventor does recall referring to a then-current (1998) version of the IRS Schedule D form, since he wanted to implement a Schedule D-type report. A copy of the 1998 IRS Schedule D is enclosed herewith.

The inventor also recalls referring to some IRS publications in creating other features of the present implementation, but a review of the application shows that those features concern additional reports that are not described in the application and were not in existence at the time that the present application was filed. Therefore these publications are not believed to be responsive to the request because they were not used in the creation of the features to which the application is drawn, and therefore they are not being submitted at this time.

6) Review of inventor's present files:

The inventor has reviewed his files for any other materials that date from the time prior to the filing of the application that may have been used in the development of the invention, but did not find any materials other than those already submitted in the Information Disclosure discussed above.

7) Knowledge Generally Known to Accountants and CPAs:

The inventor has extensive experience in accounting and taxes and is a Certified Public Accountant. As such there is a large body of knowledge that served as a basis upon which the inventor was able to make his invention. The inventor does not believe that any particular textbook or publication would be directly responsive to the request, but if the request is meant to be inclusive of ALL knowledge that the inventor used in making the invention, then the inventor would need to file copies of every accounting textbook and every publication he has ever read throughout the years. It is not believed that the request goes so far as to require applicant to present all knowledge generally known to those skilled in the art of accounting.

Request 2: A working prototype of the invention that can be tested by the examiner. Is the invention currently available commercially? In response to this requirement, please provide the names of any products or services that have incorporated the claimed subject matter.

Applicant responds as follows:

1) <u>On-line demo:</u>

The examiner can access a demo version of the current implementation of the system at: **www.summalp.com/flash/dev/login.htm**

To access the demo, select the MyRealNetWorth logo, and then use the user ID: **mrnwdemo** and the password: **mrnwdemo** to access the site.

Applicant wishes to refer the examiner's attention to the following features of the demo:

- Upon logging in, the demo generates a financial position report for a demo investment portfolio.

-The financial position report shows asset, liability and equity balances in a double entry format. This gives a big picture view of what the portfolio is worth at the moment, based on the values of investments and other assets held, and the realized and unrealized costs (transaction fees, margin, taxes etc.) associated with those assets.

-Balances in the report are hyperlinked to supporting reports. When a hyperlinked balance is selected, a more detailed report supporting that balance is generated and displayed.

-The financial position report also includes a profit and loss section at the bottom that includes more balances hyperlinked to supporting reports.

This report and the processing that produces it are the focus of independent claim 71 and dependent claim 104.

An earlier html version of the system may also be accessed at: **http://207.178.215.235/summalp/** using the same user ID and password as above.

3) <u>Commercial embodiment:</u>

The invention is now commercially available by subscription to users of the on-line trading firm: **www.JPRcapital.com**

Information can be found in the section entitled "Day Trading Tools" under the heading MyRealNetWorth.

<u>Request 3</u>: The trade names and providers of any products or services in competition with the invention.

Applicant responds as follows:

1) Existing systems with similar features:

Applicant is not aware of any existing systems that disclose or make obvious the invention as recited in claim 71 of the application.

2) Products and services in competition:

In general, applicant considers the invention to be in the same general field of commerce as on-line trading services, such as E-trade, TD Waterhouse, and Charles Schwab, and trading software used by professional traders, such as the RealTick platform described at: **www.realtick.com**

For purposes of comparison, applicant suggests that the examiner look at the demo provided at **www.tdwaterhouse.com**

The demo is accessed by selecting the topic "Trading," then selecting the topic "Take the Tour," and then selecting the topic "My Account." This allows the user to see the various financial reports that are provided to investors who use this trading service. It is seen there that the system provides only four very basic financial reports: Balance, Order Status, Holdings, and History. By selecting the Balance report, the user is provided with only the gross value of the holdings in the report as of the close of the previous day's business. This provides no information about the current realized and unrealized obligations associated with those holdings, or the net worth of the portfolio in view of those obligations. Further, there are no supporting reports for any of the amounts shown in the available reports. It will be seen that there is nothing at the site to determine the present obligations of the portfolio or its true net worth. Applicant also stresses that this demo shows the technology currently provided by this site, and that the technology provided at the time of filing of the present application was even simpler and less sophisticated than what is currently provided.

As another example of the portfolio reporting abilities of current services, applicant suggests reviewing the sample reports at: **www.schwabpt.com/products/portfoliocenter/samplereports.htm** which lists the reports generated by the Charles Schwab "Performance Technologies PortfolioCenter" system. It will be noted that this service does not provide an

integrated balance sheet style portfolio report showing assets, liabilities and equity.

Applicant also notes that a "net worth" service has recently become available at **www.finance.yahoo.com** under the heading Money Manager in the Personal Finance section of the page. Applicant stresses that Applicant does not have access to this service and does not know its details. However, it appears to perform a simple personal net worth calculation based on the gross value of an investment portfolio and any other available information such as outstanding credit card bills. There is no indication that this service calculates the net worth of an investment portfolio that includes obligations that would result if all investments were liquidated at current prices, as required by claim 71. Further, based on research performed using the internet web page archiving service at **www.archive.org**, it appears that this service first appeared on 7 December 2001, more than two years after the filing of the present application.

Request 4: Identification of the true assignees of the current invention.

Applicant responds as follows:

1) Current assignee:

The invention is assigned to RealNetWorth.com, Inc. of Del Mar, California, as indicated in the assignment document recorded for this application. The name of that entity has since been changed to SummaLP Applications, Inc.

Respectfully submitted,

Date: 27 October 2003

By Ronald Coslick

FOLEY & LARDNER
Customer No. 23392
2029 Century Park East, 35th Floor
Los Angeles, CA 90067
Phone: 310 277 2223
Fax: 310 557 8475

Ronald Coslick
Attorney for Applicant
Registration No. 36,489